

IN THE UNITED STATES DISTRICT COURT FOR THE  
SOUTHERN DISTRICT OF OHIO  
EASTERN DIVISION

WILLIAM C. HAYES DBA HAYES LAW  
OFFICE,

Plaintiff,

v.

MELINDA BROWN,  
WILLIAM WESLEY SCOTT HIGGINS,  
INTERNAL REVENUE SERVICE,  
OHIO DEPARTMENT OF TAXATION,  
OHIO ATTORNEY GENERAL, and  
UNITED STATES OF AMERICA,

Defendants.


Case No. 2:13-cv-01193-MHW-TPK

Judge Michael H. Watson  
Mag. Judge Terence P. Kemp

**JUDGMENT**

Upon the Clerk of the Court's entry of default against Defendants Melinda Brown and William Wesley Scott Higgins (Docket No. 34) for their failure to answer or otherwise defend in this action, and the Joint Motion For Default Judgment, the Court hereby orders that Defendants Melinda Brown and William Wesley Scott Higgins shall not be entitled to any part of the \$7,433.17 which Plaintiff deposited with the Licking County Common Pleas Court registry. The Court further orders that the \$7,433.17 shall be distributed as described in the attached Stipulation Regarding Priority of Liens and Distribution.

Dated: March 30, 2017

  
Michael H. Watson  
U.S. District Court Judge

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**STIPULATION REGARDING PRIORITY OF LIENS AND DISBURSEMENT**

Plaintiff William C. Hayes *d/b/a* Hayes Law Office, Defendant Ohio Department of Taxation, and Defendant United States of America (collectively, the "Moving Parties"), stipulate and agree to the following:

1. On October 29, 2013, Plaintiff filed an interpleader complaint in Licking County Common Pleas Court and paid into the registry of that Court funds in the amount of \$7,433.17 ("Funds") resulting from the liquidation of Defendant Higgins's 401(k) plan account which was used to fund a settlement with Defendant Brown. Plaintiff represented Defendant Brown in the litigation and the negotiation of the settlement. Plaintiff held back the Funds at issue because upon information and belief, the administrator of the 401(k) plan did not withhold sufficient funds for Defendant Higgins's federal and state income tax liabilities associated with the account liquidation, and it was uncertain, as between the Defendants, who was entitled to the Funds.

Plaintiff delivered two checks to a representative of Defendant Higgins, who was incarcerated at the State Penitentiary at the time of distribution: (1) a check in the amount of \$6,196.00 for federal income taxes, and (2) a check in the amount of \$1,237.17 for state income taxes. Neither check was ever deposited or cashed. The Plaintiff requested that the Court determine the rights of the Defendants to the Funds and otherwise relieve it from liability as to the Funds.

2. On November 27, 2013, the United States removed Plaintiff's action to the United States District Court for the Southern District of Ohio.

3. On January 3, 2014, the United States filed its answer with this Court.

4. On February 14, 2014, the State of Ohio filed its answer with this Court.

5. On February 17, 2017, this Court entered default against Defendants Melinda Brown and William Wesley Scott Higgins.

6. On March 15, 2017, the Moving Parties jointly moved for default judgment against Defendants Melinda Brown and William Wesley Scott Higgins.

7. The Ohio Department of Taxation has an interest in the Funds by virtue of an assessment made against Defendant William Wesley Scott Higgins for unpaid Ohio income taxes. The Ohio Department of Taxation has filed a certificate of judgment with the Muskingum County Common Pleas Clerk of Court in case number 2013 TL 00027 on January 24, 2013. The certificate of judgment reflects assessed and unpaid Ohio income taxes.

8. The United States has an interest in the Funds by virtue of an assessment made against Defendant William Wesley Scott Higgins on July 19, 2010, for unpaid federal income taxes for tax year 2009.

9. Plaintiff incurred costs of \$868.00 for service by publication upon Defendant Brown.

10. The undersigned parties agree and stipulate to the following priority and disbursement of the Funds:

a. First, a disbursement to the United States of America in the amount of \$7,433.17. The disbursement to the United States shall be made payable to U.S. Treasury, and shall be delivered to Tax FLU, Office of Review, U.S. Department of Justice, P.O. Box 310, Washington, D.C. 20044-0310 (if payment is sent by U.S. Postal Service) or Tax FLU, Office of Review, U.S. Department of Justice, 555 4th Street, N.W., Room 6647, Washington, D.C. 20001 (if payment is sent by overnight delivery).

b. No disbursement shall be made to the Ohio Department of Taxation.

c. No disbursement shall be made to Plaintiff for costs incurred in serving Defendant Brown by publication.

11. Upon payment of the amounts set forth in Paragraph 10, above, Plaintiff will be discharged from any and all further liability to any Defendants with respect to the Funds.

**AGREED:**

WILLIAM C. HAYES DBA HAYES LAW OFFICE

/s/ C. Daniel Hayes (by email permission)

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